

EXPENSE ACCOUNTSRoutine ExpensesACCOUNT CROSS  
REFERENCE

REPORTING \*  
SCHEDULE A  
LINE COLUMN

ACCOUNT DESCRIPTION

A.  
N.  
H.  
A. R&R NO.

Report details of related parties' interest on Schedule F, part 1.

21 C

Special Amortization

950X,985X

Include amortization of special expenditures deferred, per agreement with the Medicaid program.

- Report details on Schedule D, 21 and 22.

Patient Care

Include the cost of all routine patient care services as previously defined. Currently, this includes: medical director fees, patient activities, pharmaceutical consultant, non-legend drugs, medical supplies, social services and oxygen. Include routine direct costs only. Examples of routine indirect costs and their inclusion are as follows:

- Uniforms and other specialized items of expenses should be reported on Schedule A, line 7 (Laundry and Linen)
- Administrative, such as secretarial, office supplies and travel expenses, should be included on Schedule A, Line 4. Travel expenses will also be reported on Schedule A-1 and A-2.
- Medical records librarian should be reported in Other Administrative, Schedule A, Line 4.

95-30-MA(NJ)

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EXPENSE

76-15

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## EXPENSE ACCOUNTS

## Routine Expenses

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76 15  
9.190

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ACCOUNT CROSS  
REFERENCE (X)REPORTING \*  
SCHEDULE A  
LINE COLUMN

ACCOUNT DESCRIPTION

A.  
N.  
H.

A.

R &amp; R

NOT

Maintenance of depart-  
mental equipment should  
be included on Schedule  
A, line 11.

Definitions of Routine Patient Care costs are as follows:

22	A&B	<u>Nursing RN's - Salaried, Hours</u> <u>and Salaries</u>	600,601 610,611	601,611 621	E
		Include the hours and sala- ries of all employee-registered Nurses (RN's) and Director of Nurses.	924		
23	A&B	<u>Nursing RN's - Contracted,</u> <u>Hours and Fees</u>	609X,619X.	609X,619X, 629X	
		Include the hours and cost for contracting the services of all non- employee - Registered Nurses (RN's).			
24	A&B	<u>Nursing, LPN's - Salaried,</u> <u>Hours and Salaries</u>	602,612 924	602,612, 622	E
		Include the hours and salaries of all employee- Licensed Practical Nurses (LPN's).			
25	A&B	<u>Nursing, LPN's - Contracted,</u> <u>Hours and Fees</u>	609X,619X	609X,619X 629X	
		Include the hours and cost for contracting the services of all non-employee-Licensed Practical Nurse (LPN's)			
26	A&B	<u>Nursing, Other-Salaried,</u> <u>Hours and Salaries</u>	603,613 924	603,613 623	E
		Include the hours and salaries of all other nursing employees such as nursing assistance and orderlies.			

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N.J. Tr. 12/13/76 - 12/29/76 Effective 7-1-76

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EXPENSE ACCOUNTS

Routine Expenses

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12/1/77  
ACCOUNT CROSS  
REFERENCE

REPORTING  
SCHEDULE A

<u>LINE</u>	<u>COLUMN</u>	<u>ACCOUNT DESCRIPTION</u>	<u>A.</u> <u>N.</u> <u>H.</u> <u>A.</u>	<u>R &amp; R</u>	<u>NOTE</u>
27	A&B	<u>Nursing, Other-Contracted,</u> <u>Hours and Fees</u> Include the hours and con- tracted cost of all other non-employee nursing per- sonnel, such as nursing assistants and orderlies.	609X,619X	609X,619X 629X	
28	A&B	<u>Medical Director</u> <u>Hours and Salaries</u> Include the hours and salaries, for medical director, spent in ren- dering routine patient care service.	700X	631X	E
28	C	<u>Medical Director Fees</u> Include the cost of all medical director fees for rendering administra- tive services.	702X	636X	
29	A&B	<u>Patient Activities</u> <u>Hours and Salaries</u> Include the hours and salaries for rendering routine patient care services for all licensed professionals, or the equivalent, other than nurses and physicians.  • Exclude Pharmacists - Include Pharmaceutical Consultant on Schedule A, line 30.	740		E

NOTE: Nursing administrative costs such as medical records librarian, nurses training and other nursing costs of an administrative nature, not preprinted on Schedule A. lines 22-34, should be reported on Schedule A-2, "Other Administrative".

Fr. 12/13/76 to 12/29/76 Effective 7-1-74

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EXPENSE ACCOUNTS

Routine Expenses

ACCOUNT CROSS  
REFERENCE (X)

REPORTING \*  
SCHEDULE A

LINE	COLUMN	ACCOUNT DESCRIPTION	A.	R & R	NO
29	C	<u>Patient Activities Fees and Other Expenses</u> Include the fees for routine patient care. Exclude any costs of nurses, physicians, drugs, medical supplies, equipment rental, etc. Include social, intellectual, cultural, recreational and religious activities.	740-744 780-784		
30	A,B,&C	<u>Pharmaceutical Consultant Hours, Salaries and Fees</u> Include the fees or salaries for Pharmaceutical Consultant services.	712		E
31	C	<u>Non-Legend Drugs</u> Include over-the-counter drugs which can be purchased without a prescription. Also included are medicine chest supplies and personal comfort items (e.g. mouthwash, talcum powder, massage lotions etc.) <u>Do Not</u> Include Prescribed drugs or intravenous solutions.		645	

n.g. 12/13/74 12/29/74 effective 7-1-74

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EXPENSE ACCOUNTS

Routine Expenses

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<u>REPORTING SCHEDULE A</u>				<u>ACCOUNT CROSS REFERENCE</u>		(X)
<u>LINE</u>	<u>COLUMN</u>	<u>ACCOUNT DESCRIPTION</u>	<u>A.</u>	<u>R &amp; R</u>	<u>NOTES</u>	
32	C	<u>Medical Supplies</u> Includes items such as incontinency pads, bandages, dressings, compresses, sponges, plasters, tapes, cellucotton or disposable items (e.g. colostomy bags, chuxs) also, hot water bags, thermometers, catheters, rubber gloves and supplies required in the administering of medications, including disposal syringes. (Do Not Include Drugs.)	607,617 703,713 748,763	608,618 628,638 648,658 688		
33	A,B&C	<u>Social Service Hours, Salaries and Fees</u> Includes the evaluating and identifying of social needs or problems existing in interpersonal relationships and activities in the facility and with the patients' family. Provides ongoing counseling of patients, next of kin and/or spouse. For further explanation (see Manual of Standards for Nursing Homes).				
34	C	<u>Oxygen</u> Include the costs for routine patient services.	735- 739			

N.J. 12/13/76 12/29/76 effective 7-1-74

EXPENSE ACCOUNTS  
Non-Routine and Non-Allowable  
(Schedule A-3 Columns A, B and C)

ACCOUNT CROSS  
REFERENCE (X)

A.  
N.  
H.  
A. R & R

ACCOUNT DESCRIPTION

Include the costs of all non-routine patient care services and miscellaneous functions per the definition of services not reimbursed through the Medicaid Per Diem as specified by the state.

Any costs that do not reasonably relate to the operation of the nursing facility (i.e., investment properties, personal expenses) will be considered non-routine/non-allowable for reporting purposes and should not be included in net routine expenses reported on Schedule A, Column E.

The following are some examples of services and functions, the expenses of which are currently defined as Non-Routine and Non-Allowable:

. Laboratory and X-ray	720-724	
. Radiology	730-734	
. All Personal Expenses	798	687

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95-14-MA(NJ)

TN 95-14 Approval Date APR 30 1995

Supersedes TN 76-15 Effective Date JAN 03 1995

**New**

(Schedule A-3)

ACCOUNT DESCRIPTION	ACCOUNT CROSS REFERENCE (X)	
	A.	R & R
Pharmacy, Non-Routine portion	710X-714X	641X-649X
Medical Supplies, Non-Routine portion	609X, 619S 750X-754X	608X, 618X 619X
Special Care	760-764	681-689
Physicians Services except for Medical Director	700-704X	631X-639X
Dental Services	760-764	671-679
Utilization Review	913	813X
Contractual adjustments, Bad Debts and All Other Revenue Deductions	500-734	401-451
Fund Raising Expenses	959	829X
Income Taxes	914	859
Loss on disposal of assets	979X	853
Amortization of Organization Costs	950X	829X

.. All costs incurred in organizing, to include legal and accounting fees. Amortization of start up costs are allowable, to include costs reasonably related to patient care.

NOTE: If the nursing facility contains other than a nursing unit (residential, sheltered, out-patient wing, etc.) the appropriate expenses should be allocated out of the nursing unit and reported on Schedule A, Column F.

All non-routine/non-allowable expenses should be reported on schedule A-3 and carried forward to schedule A, line 36.

REVENUES

For reporting purposes, there are six broad classes for revenues for which records are to be maintained in sufficient detail to permit the preparation and audit of reports furnished to the Medicaid program.

	Reporting <u>Schedule</u>
(1) Routine patient care gross revenues	B
(2) Incidental revenues (expense recoveries)	A-4
(3) Other operating revenues	A-3
(4) Restricted income - operating	A-4
(5) Restricted income - capital	-
(6) Unrestricted income	D

The following pages define these classes of revenues and describe the detailed accounts that are to be maintained in each home's records.

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1 - Routine Patient Care Gross Revenues

Definition

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Gross revenues are to be reported on the accrual basis for providing routine patient care services, prior to any provision for bad debts or doubtful accounts.

For Medicaid patients, these gross revenues are equal to the applicable per diem rates multiplied by the applicable Medicaid patient days. The breakdown of the payment between patient sources and the state has no bearing on the determination of routine patient care revenues for Medicaid patients.

For Medicare patients, these gross revenues are the amount that the home expects to realize from providing routine patient care services to Medicare patients during the reporting period. As with Medicaid gross revenues, the fact that part of these revenues may be derived from patient sources is ignored in determining gross revenues.

For private patients, these gross revenues are the total amount of charges billable to private patients for services provided during the reporting period.

A patient is classified as "other" if the majority of his charges are to be paid by third party payors other than Medicare and Medicaid. Gross revenues for these patients are the amount the home expects to realize from providing routine patient care services to them.

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Details Required

Details are required for each combination of payor and class as follows:

<u>Payor</u>	<u>Class</u>
Private	Nursing
Medicaid	Other (Sheltered Care, etc.)
Medicare	
Other	

Patient days are also to be recorded for each combination of payor and patient class.

Reporting

Patient Days - Schedule B, Part A, Lines 1-9

Maximum Bed Days & Schedule B, Part B, Lines 10-13

Gross Revenues - Schedule B, Part C, Lines 1-5

TN 90-10 <sup>A-31-37</sup> Approval Date SEP 13 1990  
 Supersedes TN 76-15 Effective Date OCT 01 1990

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